



Advancing Landscapes in the Andean Amazon (ASLAA)

Quarterly Report

FY 2015 - QR3

1 PROJECT COVER SHEET

1.1 NAME OF THE PROJECT:

Advancing Landscapes in the Andean Amazon (ASLAA)

1.2. DATES (START/FINISH):

AGREEMENT/ CONTRACT

Sun, 30/09/2011 - 00:00 to Sun, 31/01/2016 - 00:00

REPORT PERIOD

Wed, 01/04/2015 - 00:00 to Tue, 30/06/2015 - 00:00

1.3. PRIME PARTNER:

Rainforest Alliance

1.4. NAME OF PROGRAM MANAGER:

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1.6. NAME OF ALTERNATE AOR OR COR:

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1.7. MECHANISM NUMBER:

AID-OAA-A-11-00055

1.8. OVERALL PROGRAM DESCRIPTION:

Our strategy is premised on addressing the principal threats to biodiversity and their drivers identified in two landscapes that have the most significant impact and can be countered directly given the experience of RA and its partners to optimize impacts locally. The threats include habitat degradation and loss due to wholesale deforestation or land-use conversion, while the drivers of these threats can be grouped into three areas: a) limited institutional capacity by local governments and communities for natural resource management (NRM); b) limited participation in and access to programs by local groups for resource management and sustainable production chains; and c) weak organizational capacity and market linkages of local producers and operators to grow local economic opportunities. RA and its partners, AIDER and ECOLEX, designed this project to conserve biodiversity in two landscapes, Sucumbíos/Napo, Ecuador and Cusco/Madre de Dios, Peru. In Ecuador we work in the Cuyabeno Wildlife Reserve (CWR), the Limoncocha Biological Reserve (LBR) and the buffer zone of Sumaco Napo Galeras National Park (SNGNP). In Madre de Dios (MDD), we work in the district of Tambopata in the communities of Tres Islas (TI), Palma Real (PR), Infierno, Sonene, Puerto Arturo (PA), and Boca Paríamanu (BP). We also work with the Brazil nut gatherer associations RONAP, located alongside the interoceanic highway, and ASCART, in the Tambopata National Reserve. In Cusco, we work in La Convención and Calca Provinces. Within CWR, we work in the tourism area and with the Siona communities of Tarabeia, San Victoriano, and Puerto Bolívar, for a total of 130,000 ha. The LBR is located in the Shushufindi canton close to Yasuní National Park (YNP). In the buffer zone of SNGNP we work in the Hatun Sumaco (HS) parish, which includes the Hatun Sumaku, Wawa Sumaku, Wuamaní, Patco Sumaku, Pucuno Chico, Volcán Sumaku and Challuayacu indigenous communities. In Tambopata, we work with the Ese Ejas, Shipibos, Yine, Amahuaca, and Kicharunas ethnicities representing 75,000 ha approximately. In upper and middle Tambopata, we work with tourism operations representing approx. 3,000 ha. ASCART and RONAP manage a total combined forest concession area of approx. 70,000 ha. In La Convención Province we work in Quellouno and Echarate districts and in Calca Province in Yanatile district, within the Ivochote and Laco-Yavero watershed and cover 13,500 ha of the following cooperatives: Bioazul, Jose Olaya, Chaco Huayanay, Paquivo, Alto Urubamba, and Mateo Pumacahua and Asociacion de Productores Agropecuarios Los Angeles de Pachiri (APA Pachiri).

2. STRATEGY OVERVIEW

2.1. INTERMEDIATE RESULTS

2.1.1 IR1 - Selected Landscapes Managed Sustainably:

The following achievements contribute to addressing the principal environmental threats and drivers of habitat degradation and loss due to wholesale deforestation or land-use conversion.

Under AR 1, *sound landscape planning and use of sustainable NRM practices*:

To work toward strengthening the capacity of local actors and government entities for NRM:

- YNP staff and SL co-developed the Visitor Management Plan (VMP) in 2014. The Ministry of Environment (MAE) is now implementing the VMP, bringing roughly 200,000 ha under improved management. Implementing the plan in accordance with its land-use zoning and biodiversity monitoring and evaluation protocols, will contribute to better understanding of tourism impacts on macaws and other bird species whose presence and abundance has declined in recent years. The YNP VMP will inform the completion of VMPs for 9 other pilot protected areas. MAE's commitment to replicate the VMP methodology demonstrates the high probability of its adoption and use post-project.

Under AR2, *improved environmental governance*:

To work toward strengthening the capacity of local actors and government entities for NRM:

- In HS, SL works to demonstrate sustainable, deforestation-free alternatives to naranjilla production and promote market-access for clean naranjilla. SL facilitated the establishment of ASOPROBISUM, a clean-naranjilla producer association, to promote sustainability, organize production and secure commercial arrangements. SL has provided technical assistance and organizational strengthening to ASOPROBISUM by: i) defining its long-term vision, mission, strategic objectives and organizational values through 2020; ii) completing a multi-year roadmap of activities; and iii) concluding a value chain analysis of naranjilla production and potential buyers. ASOPROBISUM directly benefits 73 producers and their families; the organization is one means by which SL aims to sustain clean-naranjilla production and market-access post-project.
- The youth forestry association ASOCOSAWAKA is leading the implementation of the control and surveillance system developed by the 5,504 ha Wamaní community to avoid deforestation and ensure compliance with laws and regulations. ASOCOSAWAKA completed and posted signage to delineate the conservation area and completed a perimeter survey to identify major intervention/invasion threats. The community origin and technical capacities of ASOCOSAWAKA should help ensure ongoing implementation of the system beyond the life of SL.
- Wamaní ensured the financial sustainability of its control and surveillance system by allocating funds within its SocioBosque investment plan to finance materials, equipment and signage; maintenance of conservation area boundaries; and resources for the surveillance system coordinator and community rangers.
- SL completed its capacity building program for RPFC tourism operators with two trainings and individual technical assistance visits. The program strengthened 11 operators (including Cuyabeno, Jamu, and Tapir Lodges) to implement best practices including: clean technologies; wastewater treatment; environmental education and training programs for staff and clients; and, professional signage and marketing. Evaluations conducted by MAE in March 2015 in accordance with the SL-produced Sustainable Tourism Operations Manual identified these as priority areas to enhance the quality of Cuyabeno tourism services and ecosystem health.

- Brazil nut committees in PR and BP systematized and verified sales volumes of 50,367 USD and 74,976 USD to CANDELA for the 2015 harvest. PR and BP then fully repaid credit owed to AGROBANCO and CANDELA: this is a major milestone as native communities often lack an understanding and culture of credit repayment, which has led to NCs being offered credit on poor terms. This repayment helps build a culture of fiscal responsibility in NCs and builds the case for more favorable credit terms.
- PR, TI and Sonene secured approvals of their forest management plans (resolutions N° 554, 801 and 852 -2015-GOREMAD-GRRNYGMA-DRFFS). This milestone in consolidating legal, sustainable forest management in MDD NCs brings 44,772 ha under sustainable management and demonstrates that NCs can take direct responsibility for harvesting processes without intermediaries – increasing the economic benefits of legal forest management and promoting good NRM governance.
- After a year of technical assistance and facilitation provided by SL in alliance with IIAP, INIA, ACCA and SPDA, GOREMAD approved the technical dossier for the Regional Conservation Area *Señor de la Cumbre*. Establishment of the conservation area now depends on Regional Council approval.

To improve local participation in accessing, using and managing natural resources and policies, laws, or agreements for management and administration:

- SL strengthened the leadership, administrative and NRM capacities of 5 HS board members and over 30 leaders of the 7 HS communities. On May 26, parish leaders completed an 8 module course on issues fundamental to effective board functioning and community management, including: institutional and legal framework under the code of autonomous decentralized territorial organizations; budget management; public procurement; strategic management; territorial development plans; and project development in accordance with SENPLADES guidelines. 5 members of the parish board are now contracting services using appropriate procurement policies, and community leaders are in a stronger position to propose and negotiate for specific parish services in their individual communities.

Under AR3, improved sustainable livelihoods and ecosystem resilience:

To improve understanding and application of best management practices (BMP), and increase weak market penetration and competitiveness:

- Clean naranjilla farmers in the 7 HS communities implemented organic soil amendment and integrated pest management BMPs. 35 producers were trained on these and other BMPs designed to reduce costs and agrichemical use and enhance production capacity. ASOPROBISUM committed to promoting and implementing these BMPs to its members.
- Naranjilla pilot farmers completed a land-use plan to delineate areas for conservation, crop rotation, vegetation barriers, natural regeneration, and reforestation. Combined with application of sustainable fertilization and soil nutrient plans produced for the HS parish, the land-use plans promote soil fertility and productivity enhancements while conserving and restoring forestlands in pilot farms.

To improve capacity for NRM and access to government and other conservation and development programs:

- [See Section 2.1.3]

2.1.2 IR2 - Key Elements of Natural Resources Governance Functioning in Critical Landscapes:

Lines of action 5 and 6 - *Build capacity of civil society and indigenous organizations to influence the environmental decision-making and providing access and dissemination of environmental and natural resources information.*

- SL co-developed regulations for administration, use and management of natural resources with each of the communities of Challwayaku, Volcán Sumaco, Wawa Sumaco y Jatun Sumaku (10 de Agosto). The four regulations were developed as part of a participatory process; through multiple workshops, over approximately 150 community members were sensitized and trained on natural resource management issues and the Ecuadorian legal framework promoting community monitoring of natural resources. The regulations were customized to respond to the specific realities and interests of each community, and will be validated in community assemblies.
- HS forestry pilots established an action plan to address deficiencies in recent diagnostics. Legal, sustainable forest management is incipient in HS, thus many producers scored very poorly. Through the action plan training will be provided on a range of forestry BMPs including: plantation establishment and maintenance; identification of threatened species and completing animal and plant inventories, and definition of HCVF areas. Moreover, restoration in degraded areas, slopes and riparian areas of pilot zones will be established to limit soil erosion and protect waterways.
- PR established its Tourism Committee and detailed functions and responsibilities for community participants including: guides, administrative assistants and handicrafts experts. As part of its efforts to build internal capacity to manage tourism activities, the 16 members of the PR Tourism Committee participated in an experience exchange with Posada Amazonas lodge, to enhance their understanding of the possible investments and revenues that can be expected from community tourism ventures. The exchange helped further prepare the community for implementing its community tourism strategy and also avoid false expectations around possible income improvements in the short-term.
- In Cuzco, SL completed analyses and engaged with coffee and cocoa stakeholders to enhance access to information and promote informed decision-making around emerging coffee and cocoa strategies in the region. Specific accomplishments include:
 - SL identified and systematized coffee characteristics and properties in La Convencion municipality, with particular emphasis given to production within Lacco Yavero watershed, in the Megantoni National Sanctuary (MNS). The data will inform La Convencion's coffee production and marketing strategy: in recent quality cupping events, Cusquenán coffee has underperformed, thus local actors are identifying BMPs required to improve coffee quality. Much of the coffee produced has a low acidity and a highly variable flavor profile; improving fertilizer management and post-harvest processing practices are a priority to address these quality defects.
 - SL analyzed and systematized production costs among a representative subset of 18 coffee and cocoa producers within the MNS. The data is being used to inform the region's strategic plan for coffee and cocoa production. Specifically, they confirm the need to apply an integrated, sustainable approach to coffee and cocoa production in order to increase cost-efficiencies derived from addressing: i) high costs of labor due to poor planning of maintenance activities; ii) inappropriate use of fertilizers; iii) and high losses due to poor harvesting practices.

- As part of its climate-smart agriculture focus, SL collected data on the GHG emissions profile of 31 coffee farms within the Lacco Yavero watershed, and completed risk assessments against extreme weather events. Primary emissions hotspots are from methane emissions associated with processing; periodic burns to clear annual croplands; and incinerating household trash and farm waste to attempt to control pest outbreaks. The data provides a baseline for understanding GHG emissions dynamics in coffee production units, creating opportunities their participation in emerging carbon-based PES schemes for smallholder coffee production.
- In Ivochote, SL strengthened the leadership abilities of 46 women producers. Women leaders enhanced their understanding of key issues at the nexus of gender and sustainable agricultural land management, such as: the recognition of women's importance in decision-making and management at the household level, in the farm and in the socio-economic development of the family unit; their capacity for influence and action; and other issues important to enable compliance with SAN Standard criteria related to family well-being and development.
- The community of Sonene approved regulations governing its Brazil Nut Committee, and Palma Real approved its Timber Committee regulations. Both regulations clarify critical issues such as benefits distribution among the committee and the broader community; clear, transparent and agreed upon rules that govern the use of money contribute to effective community governance structures.

2.1.3 IR3 - Increased Capacity to Utilize Payment for Environmental Services (PES)-like and other Economic Incentive Programs:

- With SL technical support, the community of Wamaní completed and presented its dossier to access the new Socio-Bosque (SB) Restoration program, in order to restore up to 200 hectares of native forest and economically benefit the 491 community members of Wamaní over a 10-year period through receipt of approximately 91,000 USD. Similar to its approach to implementing the MAGAP Commercial Reforestation Program in Wamaní, SL worked hand-in-hand with ASOCOSAWAKA, which completed fieldwork and enhanced its knowledge of ecological restoration and management of the SB program. We hope that the Wamaní pilot – one of the first in Napo province – will serve as another example of how Hatun Sumaku communities can benefit from government incentives programs, and build motivation and local knowledge for replication in other HS communities.
- The community of Wamaní updated and approved its SB investment plan, with SL guidance. Among other activities, the plan prioritizes support to the implementation of the community monitoring and surveillance system (See IR1; AR1). In late June, Wamaní received 11,242.75 USD, benefitting 491 community members in exchange for their collective commitment to maintain 1,285 ha under the SB Program.
- For the first time, a Wamaní community-member sold timber under a legal harvesting license and with community authorization: Manuel Shiguango sold 13.73 cubic meters of *coco* ((*Virola sp.*) *Myristicaceae*) for a total of 2,780.26 USD. The sale is the result of SL facilitation to secure free advice and support from MAE's forestry council (*regencia forestal*) in developing the program of sustainable forest management and securing the harvesting license. SL also provided technical support to identify buyers offering the best prices; create market-linkages to buyer INDUMAD, S.A. and provide ongoing follow-up. This pilot harvesting and sale demonstrates to the community that forest harvesting in

compliance with legal requirements can enable it to complete legal sales and thus secure a better price while reducing timber extraction rates.

- The Sani Warimi Association increased its handicrafts sales as a result of support provided by the SL Small Grants Program. Through designing new products and improving their presentation and labelling, and displaying these in new sales venues such as the International Ecotourism Congress and the Trade Fair of Municipalities of the Amazon and the Galapagos, the Association has increased its sales volumes of new products, benefitting its 36 women members and their families.
- SL strengthened Brazil nut harvesting, processing and market-access in Q3 through a series of related achievements:
 - The Association of Brazil Nut Harvesters of the Tambopata Reserve (ASCART), achieved its certification in good manufacturing practices. This certification enables ASCART to secure authorization from Peruvian authorities to export Brazil nuts. Securing positions in export markets would be a major achievement to help ASCART diversity clients and improve revenues.
 - The Madre de Dios Indigenous Forestry Association (AFIMAD) and the Association of Organic Collectors of Amazonian Nuts of Peru (RONAP), harvested and warehoused over 2,056 sacks of Brazil nuts, with an estimated sales value of 176,000 USD.
 - 20 leaders and community members of Tres Islas completed an apprenticeship with ASCART to learn how to effectively manage and operate Brazil nut processing facilities. With SL support, in Q2 TI secured funding and established a small Brazil nut processing plant. The recent apprenticeship to ASCART's facilities – with its focus on processing facility management - prepares TI to operate its new plant in time for next year's harvest.
 - AFIMAD secured an additional 0.5 sol/kg of Brazil nut price premium for organic certification and reduced by 5 soles the cost of transport per Brazil nut sack from NCs to Puerto Maldonado, as part of its negotiation with CANDELA to improve commercialization terms. The improved terms represent a considerable increase for the native community household economies.
- The project developed by SL and the Association of Ecotourism Businesses of Puerto Maldonado (AEPED) to strengthen tourism offerings of the Association secured approval from The Science and Technology Innovation Fund (FYNCIT). The disbursement of approximately 155,000 USD for the one-year project should be received in coming months, with significant funding dedicated to training and capacity building for sustainable tourism. In concert with this achievement, AEPED was incorporated into the Madre de Dios Regional Consultative Tourism Committee, which was created in April 2015 and aims to promote strategic tourism planning in the region. AEPED's integration in this committee, and its pending receipt of FYNCIT funds, represent means through which SL aims to promote ongoing implementation of critical project activities after SL closure.

2.1.4 IR4 - Greater Understanding and Solutions for Key Environmental Issues:

SL prioritized in its last year completing several capstone case studies to evaluate the successes and limitations of project interventions and inform the evolution and adaptive management actions of RA, SL project partners, and local stakeholders. Advances against these case studies are described below.

- The Decision-Support-System (DSS) has been completed for Napo and Cuzco landscapes, enabling local government officials and technicians and other key local stakeholders to visualize and analyze trends in deforestation, habitat fragmentation and in government investment projects. The DSS includes analyses of land use and cover change on over 380,781 ha in Cuzco and 387,985 ha in Napo, and a forest cover fragmentation analysis within targeted units in these broader landscapes: 18,569 ha in Cuzco and 14,960 ha in Napo. The DSS's ultimate objective is to enhance the capacity of local governments to make informed decisions about landscape-scale management in their jurisdictions. Through hosting four socialization and training meetings amongst key stakeholders in Cuzco (i.e. Socioeconomic development unit management and technical staff from the municipalities of Echarati and Quellouno and PROCOMPITE technicians involved in project design and information management) and Napo (i.e. Directors of SocioEconomic and Productive Development in Napo and technical staffers), local actors identified potential priority applications in their regions. For example: in Napo, decentralized government staff are interested in applying the tool to monitor project investments and how these are directed to support objectives of territorial land-use plans. The DSS has been published in an online platform that is free-of-charge and managed and updated through CONDESAN, author of the DSS and SL's partner in this work.
- To evaluate the effectiveness of project-promoted tourism best-practices, SL is completing an analysis of the impacts of sustainable tourism BMPs implemented by CWR lodges on water quality and biodiversity. Specifically, the case study is evaluating: 1) the effluent waste levels from different improved wastewater treatment systems and its impacts on water quality; and 2) the noise-levels resulting from use of standardized (2 cylinder) versus energy-efficient (4 cylinder) canoe motors, and corresponding impacts on biodiversity. To date, SL has refined the evaluation methodology during an on-site visit, collected water samples - which are currently being analyzed - and identified 36 measurement points along the canoe routes to measure noise levels. Upon conclusion of the study, stakeholders in Cuyabeno will have access to study results and corresponding recommendations to improve operator wastewater and noise-management issues.
- To enhance understanding of project-promoted sustainable coffee BMPs and their efficacy in resolving challenges faced by smallholder Peruvian coffee producers, SL is completing an analysis of the economic impacts of *roya amarilla* in Cuzco and Junín and the impact of BMPs in limiting the intensity and/or severity of *roya* outbreaks. The study is being carried out in conjunction with counterpart funding from the Peru Opportunity Fund. To date the research methodology has been completed, and through use of tablets and the iFormBuilder software program, data collected from 251 smallholder producers. At present data is being synthesized and analyzed; preliminary recommendations will be discussed and validated with key regional coffee actors including SENASA, the Ministry of Agriculture, INIA, municipalities and local universities active in Cuzco and Junín. Through this consultative, multi-stakeholder approach to validating study findings, SL hopes to promote awareness, understanding and application of study findings amongst these users.

2.1.5 Support Unit Services:

N/A

8.SUMMARY

8.1 Achievements:

- At the International Ecotourism Conference, Ecuador's Ministry of Tourism committed to implement the Global Sustainable Tourism Council's criteria for sustainable tourism at the national-level. Through promoting sustainable tourism practices based on the GSTC approach in the CWR and LBR, RA and SL helped demonstrate the viability and importance of applying the GSTC to promote biodiversity conservation and community development in protected areas.
- 3 women model farmers in Ivochote and Lacco Yavero highlighted livelihoods and environmental improvements they achieved with SL in the 'First Meeting of Coffee- and Cocoa-Producing Women in La Convencion'. Their accomplishments, leadership and public engagement also reflect the results of implementation of SL's gender strategy.

8.2 Challenges and Adjustments:

- NTFP Management plan approvals for MDD NCs have been delayed since March, due to a lack of regional forestry authority staff who are competent to approve them, and frequent personnel changes. We're in constant coordination with the authorities and have held socialization workshops with them.
- As reported previously, SL may end before land tenure is legalized in four HS communities – this also jeopardizes their ability to access SB. We've enhanced coordination with national MAE authorities to accelerate the process.
- Unusually frequent and heavy rains restricted highway access in the Amazon and to HS, causing delays in SL activities. In Wamaní, payments from the SB-restoration and MAGAP programs may not be received prior to project close, due to related delays in gov't processing.